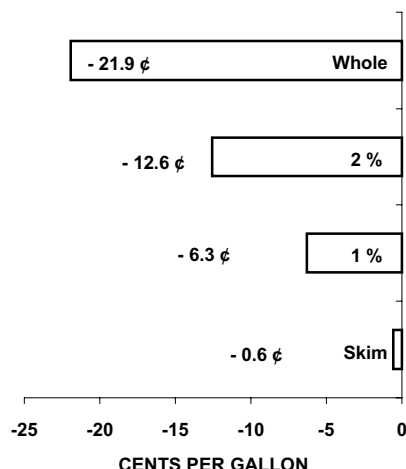


MILK PRICING NEWSLETTER

Dairy Marketing Branch, CDFA

January 2001

FEBRUARY PRICE DECREASES



ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR FEBRUARY 2001

Commodity prices for Cheddar cheese and non-fat dry milk that are used to calculate the fluid milk price were relatively stable this pricing period. However, butter prices fell dramatically. As a result, high fat products dropped sharply in price while the price of skim milk is almost unchanged.

Minimum Farm Prices for Various Fluid Milks by Container Size for February 2001

	gallon	1/2 gallon	quart	pint	1/3 quart	1/2 pint
<u>Northern California</u>						
Whole Milk	\$1.187	\$0.593	\$0.297	\$0.184	\$0.099	\$0.074
Reduced Fat (2%)	\$1.122	\$0.561	\$0.281	\$0.140	\$0.094	\$0.070
Lowfat (1%)	\$1.089	\$0.545	\$0.272	\$0.136	\$0.091	\$0.068
Nonfat (Skim)	\$0.843	\$0.422	\$0.211	\$0.105	\$0.070	\$0.053
<u>Southern California</u>						
Whole Milk	\$1.210	\$0.605	\$0.303	\$0.151	\$0.101	\$0.076
Reduced Fat (2%)	\$1.146	\$0.573	\$0.286	\$0.143	\$0.095	\$0.072
Lowfat (1%)	\$1.113	\$0.556	\$0.278	\$0.139	\$0.093	\$0.070
Nonfat (Skim)	\$0.868	\$0.434	\$0.217	\$0.108	\$0.072	\$0.054

Price Decreases from January 2001 Pricing Period

	gallon	1/2 gallon	quart	pint	1/3 quart	1/2 pint
Whole Milk	-\$0.219	-\$0.110	-\$0.055	-\$0.027	-\$0.018	-\$0.014
Reduced Fat (2%)	-\$0.126	-\$0.063	-\$0.031	-\$0.016	-\$0.010	-\$0.008
Lowfat (1%)	-\$0.063	-\$0.031	-\$0.016	-\$0.008	-\$0.005	-\$0.004
Nonfat (Skim)	-\$0.006	-\$0.003	-\$0.001	-\$0.001	-\$0.000	-\$0.000

California Department of Food and Agriculture

William (Bill) Lyons Jr., Secretary

Robert "Tad" Bell, Deputy Secretary

Chris M. Wagaman, Deputy Secretary

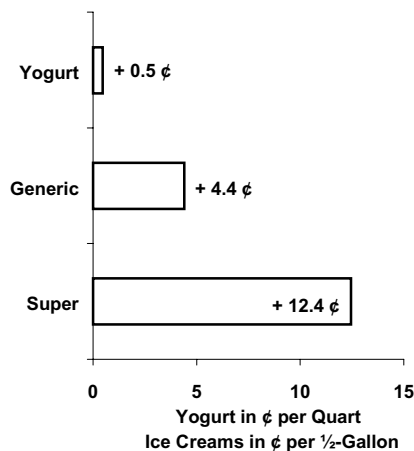
Daniel E. Webb, Deputy Secretary

Vanessa Arellano, Assistant Secretary

Phone (916) 654-1456; Homepage Address: www.cdffa.ca.gov/dairy

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

DEC.-JAN. PRICE CHANGES



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super- premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
August	\$0.23	\$1.30	\$0.51	\$1.04	\$1.05
September	\$0.23	\$1.30	\$0.51	\$1.04	\$1.13
October	\$0.23	\$1.27	\$0.50	\$1.01	\$0.90
November	\$0.23	\$1.27	\$0.50	\$1.40	\$0.85
December	\$0.23	\$1.39	\$0.54	\$1.34	\$0.93
January	\$0.23	\$1.39	\$0.54	—	—

Price Change from the Prior Pricing Period^{2/}

August	\$0.00	\$0.07	\$0.03	\$0.00	\$0.01
September	—	—	—	\$0.00	\$0.08
October	\$0.00	\$0.03-	\$0.01-	\$0.03-	\$0.23-
November	—	—	—	\$0.39	\$0.05-
December	\$0.00	\$0.12	\$0.04	\$0.06-	\$0.08
January	—	—	—	—	—

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